(b) if so, the details thereof;

(c) whether various State Governments and Co-operative Banks have represented against such a decision;

(d) if so, the details thereof; and

(e) Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes, Sir. Vide the Finance Act, 2006, the benefit under Section SOP of the Income-tax Act has been withdrawn for all cooperative banks other than Primary Agricultural Credit Societies and Primary Cooperative Agricultural & Rural Development Banks.

(c) to (e) Yes, Sir. Representations have been received for restoration of tax benefit under section SOP of the Income-tax Act for cooperative banks. After consideration, the request has not been found to be acceptable.

Impact of central excise exemptions on industrial growth in Uttarakhand

1575. SHRI HARISH RAWAT; Will the Minister of FINANCE be pleased to state:

(a) what has been the impact of grant of area based central excise exemptions on the industrial growth in Uttarakhand;

(b) how many new units have been set up between 2003 and 2006 in the State; and

(c) what has been the Central excise revenue foregone in the State on this account for the financial year 2004-05,2005-06 and 2006-07?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) According to the data available with the Government, the impact of area based central excise exemption in Uttarkhand in terms of the number of units, investment made and employment generated during 2003 to 2007 (upto September) is as under:

Sl. No.	Details	Total (Including SSI, Medium and Large units)	
		Set up	Proposed to be set up
!.	No. of units set up/proposed to be set up	12334	5192'
2.	Investment made/proposed (Rs. crore)	6848	16862
3.	Employment generated/proposed to be generated	83421	164036

(c) The estimated central excise revenue foregone for operating the exemption in Uttaranchal has been Rs. 132 crore, Rs. 1125 crore for the years 2004-05 and 2005-06 respectively. Estimated central excise revenue foregone for the half-year 2006-07 (till September) is about Rs. 916 crore.

Tax deducted at Source

1576. MAULANA OBAIDULLAH KHAN AZMI: Will the Minister of FINANCE be pleased to state:

(a) the number of Central Government employees in Delhi whose income tax was deducted at source last year;

(b) the number of those whose income tax was over-deducted and the same was to be refunded;

(c) the details of the refunds made so far; and

(d) by when all refunds are likely to be made?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) No such data is maintained separately. '

(c) Such data is not maintained separately. However, the total refund made under Personal Income-tax during the year 2007-08 up to October, 2007 is Rs. 6191.34 crore for the whole of the country.

(d) As per the guidelines issued by Central Board of Direct Taxes, the processing of returns is to be done within four months of receipt of the returns. However, certain refunds generated out of processing of returns filed in Delhi are likely to get delayed as there was a major fire accident in Income Tax Office at Mayur Bhawan on 6-10-2007 in which certain records have got damaged. Duplicate returns are being called through advertisements and direct letters to employers. As per the statutory provisions of the Income Tax Act, 1961, the returns received in Financial year 2007-08 are to be processed by 31.3.2009.

Actions on CAG reports

1577. SHRI MOTIUR RAHMAN: Will the Minister of FINANCE be pleased to state:

(a) whether Comptroller and Auditor General (CAG) reports are prepared in the interest of the country after incurring thousands of crores of rupees and yet Central and State Governments do not act on the recommendations of the CAG reprots;

(b) if so, whether there is any proposal to make it mandatory for Government to act on CAG's recommendations in a time bound manner; and

(c) the number of CAG's audit paras pending for reply/action with Government for the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) The Comptroller and Auditor General conducts audit under the mandate entrusted to him by the Constitution of India. The results of audit are communicated to the auditee organizations through inspection reprots and audit notes. The important observations are reported to the Parliament and State and UT legislatures through Audit Reports placed on the table of the House (s). These are discussed with the legislative committees with a view to ensure remedial action by the Executive. The auditee organizations and the governments do reply to audit observations made at various stages of audit indicating the action taken. It is, however, true that these responses are not sometimes adequate or timely. .

(b) As per extant instructions, Action Taken Notes, on all paragraphs of the reports of the C&AG (including those selected by the Public Accounts Committee (PAC) for detailed examination), duly vetted by Audit, are to be furnished to the PAC within a period of 4 months from the date of the laying of audit reports on the Table of the House. There is no proposal to make it mandatory.

(c) 1881 audit paras are pending with different Ministries/Departments of Union of India for the last three years.